

# Valley County FSA Office

#### **June 2011**

County Executive Director, Mike Hagfeldt

54062 Hwy 2 W, Suite

Glasgow, MT 59230-2846

406-228-4321 phone 406-228-8101 fax www.fsa.usda.gov/mt

Valley County Office Program Technicians:

Stephanie Meier Roberta Hopstad Sheri Daggett Darlene Otten Britney Cornwell

Sharon Baillargeon, Farm Loan Manager

Jaylein Nickels, Farm Loan Officer

Jodie Moran, Farm Loan Program Technician

#### Hours

Monday - Friday 8:00 a.m. - 5:00 p.m.

County Committee
Members:
Mike Wesen, Chair
Richard Fulton, ViceChair
Arden Unrau, Member
Theresa Shipp,
Advisor

Next County Committee Meeting: July 7th, 2011 8:00 am

# FSA's Prevented Planting final report date extended to July 15<sup>th</sup> Contact Person: Roberta Hopstad

Due to flood and excessive moisture conditions throughout Montana, the Farm Service Agency (FSA) has extended the deadline to July 15<sup>th</sup> for reporting prevented planting acres for insurable and noninsurable crops. Prevented planting claims filed on form CCC-576 are required to be timely filed with your local FSA office for the 2011 crop disaster program (SURE) or for acreage history credit. Approved preventive planted acreage may also be eligible for ACRE payments. If a request for prevented planting is filed after July 15, 2011, it is considered late filed and will require a minimum of \$46 to have an on-site inspection completed to determine that the natural disaster condition was evident. If you have insured crops that were prevented planted then you may be required to provide proof that you filed for prevented planting credit with crop insurance. The COC may also request that you provide receipts or invoices showing you had inputs (seed, chemical, fertilizer, etc.) available to plant the acres claimed as prevented to establish your intent of planting.

## **2011 Acreage Reports due by July 15<sup>th</sup>** Contact Person: Roberta Hopstad

The deadline for submitting a timely filed acreage report is July 15, 2011. Acreage reports must be filed for all cropland on the farm before any 2011 DCP or ACRE payments can be made or before eligibility can be established for marketing assistance loans and LDPs. Participants in CRP and NAP must also report the acreage for which benefits are being requested. Additionally, to be eligible for benefits under the SURE program, all crops in all counties must be reported, including non-cropland that will be haved and/or grazed. Producers are reminded that filing an accurate acreage report for all crops and land uses, including failed acreage and prevented planting acreage, can prevent the loss of benefits for a variety of programs. Producers participating in the NAP program for 2010 and 2011 must have 2010 production reports on the crop for which they have NAP on by July 15<sup>th</sup>, 2010.

# If you have not received your 2011 certification maps, please stop by the office and pick them up. Maps are not being mailed because of budget restraints!

## Emergency Conservation Program (ECP) Flood

Contact Person: Stephanie Meier

Valley County requested and has been approved for ECP-Flood. Land suffering severe damage may be eligible for assistance. Producers qualifying for assistance may receive cost share to remove debris, restore permanent fences, restore conservation structures, grade shape or relevel severely damaged farmland. The damage must be so costly to rehabilitate that Federal assistance is needed, damage is not the type that would recur frequently, and affects the productivity of the acres. To be eligible for assistance, you must not start repairs before an application has been filed. An onsite inspection is required of the damaged area prior to starting and a determination must be completed by the Agency responsible for technical assistance, such as the NRCS. Cost-share assistance is based on a minimum of \$1,000.00 of eligible damage. ECP cost share is subject availability of funds. When filing an application you will need to have information concerning the necessary practices and estimated costs for the repairs.

#### **Remember these DEADLINES!**

<u>July 15<sup>TH</sup>-Acreage reports for 2011 and production reports for 2010 NAP producers.</u>

<u>July 16<sup>th</sup>- CRP managed haying/grazing begins</u>

<u>July 29<sup>th</sup>-2009 SURE signup ends!</u>

#### Reasonable Accommodations:

Persons with disabilities who require accommodations to attend or participate in any FSA programs should contact the County Executive Director at the FSA Office or the Federal Relay Service at 1-800-877-8339.

## Non-insured Crop Disaster Assistance Program (NAP) Contact Person: Roberta Hopstad

If you applied for NAP on a 2011 crop, a Notice of Loss <u>must be</u> provided for prevented planting claims by July 15<sup>th</sup>, 2011. For low yield claims, a Notice of Loss must be filed the earlier of the following: 15 calendar days after the disaster occurrence or the date damage to the specific crop acreage is apparent not to exceed 15 calendar days after the normal harvest date. If a Notice of Loss is filed after the established final planting date and the intent is to reseed to another crop intended for harvest, such as barley for grain, which is covered under crop insurance, a NAP payment cannot be received on the original failed crop. Montana is not a double cropping state. If the intent is to destroy the crop, summer fallow it, or reseed to another crop **not** intended for harvest, representative strips must be left in the field so that a loss adjuster can be sent out closer to normal harvest time to appraise the original seeded crop. <u>July 15, 2011 is the final date for NAP participants to submit crop year 2010 production evidence for crops that were covered in 2010. Failure to submit this documentation may lead to a substantially reduced APH.</u>

# Emergency FSA Disaster Assistance Programs Available

FSA would like to remind crop and livestock producers that have recently experienced severe damage from flooding, wildfires and tornadoes that FSA programs are available to assist with recovery. FSA administers several important programs that help producers recover from disaster damage and livestock deaths. Among the key programs available to address impacts from disasters are the Emergency Conservation Program (ECP), the Livestock Indemnity Program (LIP)-remember to report livestock losses to FSA, Emergency Assistance for Livestock, Honeybees and Farm-Raised Fish Program (ELAP), the Noninsured Disaster Assistance Program (NAP), Supplemental Revenue Assistance Payments (SURE) Program and the Emergency Loan (EM) Program. Fact sheets for all of these programs can be found at <a href="https://www.fsa.usda.gov">www.fsa.usda.gov</a>; click on Newsroom, then Fact Sheets, or on the state website at <a href="https://www.fsa.usda.gov/mt">www.fsa.usda.gov</a>; click on Newsroom, then Fact Sheets, or on the state website at <a href="https://www.fsa.usda.gov/mt">www.fsa.usda.gov/mt</a>, under Programs. <a href="https://www.fsa.usda.gov/mt">We encourage all who have suffered a disaster due to the recent severe weather conditions to read the fact sheets and visit the local FSA county office.

# SURE Sign-Up Continues for 2009 Crop Year, July 29th Deadline Contact Person: Sheri Daggett

Signup for the Supplemental Revenue Assistance Payments Program (SURE) for the 2009 Crop Year will end on **July 29, 2011.** To be eligible for SURE a producer must have at least a 10 percent production loss on a crop of economic significance and a policy or plan of insurance under the Federal Crop Insurance or the Noninsured Crop Disaster Assistance Program (NAP) for all economically significant crops. Producers considered socially disadvantaged, a beginning farmer or rancher, or a limited resource farmer may be eligible for SURE without a policy or plan of insurance or NAP coverage. Producers that have a farming interest physically located in a county that was declared a primary disaster county under a Secretarial Disaster Designation or a contiguous county and meet the above criteria are eligible for SURE. All but three counties - Carter, Fallon and Powell - were designated as a primary or contiguous disaster county in 2009. In the absence of the Secretarial Disaster Designation, producers may be eligible if they suffer at least a 50% production loss on the entire SURE farm due to a natural disaster. If you have not signed up for 2009 SURE, contact your local FSA office.

#### 2011 Managed Having and Grazing of CRP Contact Person: Britney Cornwell

CRP participants may begin haying and/or grazing on July 16, 2011, **provided** they have completed all of the necessary paperwork at the County FSA Office and have received **written approval** from the FSA County Office **before** starting haying or grazing. CRP participants who do not already have the managed haying and managed grazing provisions in their CPOs should contact the county office to get an updated CPO to include the managed haying and managed grazing provisions. The Montana managed haying provisions allow managed haying 1 in 5 years and 50% of the acres must be set aside for wildlife. Grazing is allowed 1 in 3 years and 100% of the acres can be grazed. Producers will be assessed a 25% payment reduction for managed haying and grazing of CRP. The 2011 Summer-Fall Managed Grazing Period is July 16<sup>th</sup> through September 13<sup>th</sup>. The 2011 Managed Haying Period is July 16<sup>th</sup> through September 30<sup>th</sup>.

# <u>Thousands of Montana FSA participants urged to submit consent forms to IRS to be eligible</u> <u>for 2009 and future years' program payments</u> Contact Person: Stephanie Meier

Roughly 5,000 Montana producers and members of entities who participated in FSA programs in 2009 and 2010 have not submitted consent forms to the IRS. You are urged to do so now or you will not receive future FSA program payments. Producers not submitting the consent form to the IRS may be required to refund ALL payments received directly or indirectly since 2009. The consent form authorizes IRS to verify to FSA whether your average adjusted gross income (AGI) meets or exceeds the limitation amounts set for FSA programs. The consent forms are available at FSA offices or online at <a href="https://www.fsa.usda.gov/mt">www.fsa.usda.gov/mt</a>. The deadline to submit the forms to IRS for 2011 was June 1<sup>st</sup>, 2011. For 2009, 2010 and 2011, the deadline has passed, but individuals and legal entities, including members of entities, who have not submitted the form to IRS for any of these years, need to do so immediately in order to avoid a demand for refund of program payments. Even if producers do not file federal income taxes, they must still submit the consent form.

#### **2010 ACRE Certification Deadline Extended** Contact Person: Darlene Otten

The deadline for a 2010 production certification to comply with the ACRE provisions for production reports has been extended to **COB Sept. 1, 2011. Because of this extension, late filed reports are not authorized**. The extension is for completing both the farm benchmark yield (2005 through 2009) and the actual farm yield for 2010. For more details contact the county FSA office.

#### **Cash-rent Tenant:**

A cash-rent tenant rule applies to any producer that rents land from another producer for cash or a crop share guaranteed as the amount of the commodity to be paid in rent. The rule also applies to any producer who rents land for zero dollars or who farms the land in exchange for compensation other than cash, such as controlling weeds on land not owned, or barter arrangements. Any cash-rent tenant shall be ineligible to receive payment unless the cash-rent tenant makes a significant contribution of active personal labor to the farming operation; or a significant contribution of active personal management **and** a significant contribution of equipment. A cash-rent tenant must also meet all applicable requirements to be considered "actively engaged in farming."

#### **Loan and LDP Programs:**

Marketing assistance loans provide producers interim financing at harvest time to meet cash flow needs without having to sell eligible commodities when market prices are typically at harvesttime lows. Marketing assistance loans are 9-month loans with the commodity pledged as collateral for the loan. Producers can settle their loan during the 9-month period by selling the commodity and repaying the principal plus accrued interest or by forfeiting the commodity to the Commodity Credit Corporation (CCC). Under certain circumstances, market loan repayment provisions specify that producers may repay loans at less than principal plus accrued interest and other charges. Alternatively, a producer who is eligible to receive a marketing assistance loan may agree to forgo the loan and instead obtain a loan deficiency payment (LDP) on their crop. LDPs allow the producer to receive a payment when the alternative repayment rate posted for a commodity is below the loan rate for that commodity. For a commodity to be eligible for a marketing assistance loan or an LDP, the producer must have beneficial interest in the commodity and meet other eligibility requirements. A producer has beneficial interest in a commodity if he or she has title to and control of the commodity. Producers may obtain marketing assistance loans or receive LDPs on all or part of their eligible production anytime during the loan availability period. The loan availability period runs from when the commodity is normally harvested (or sheared for wool and mohair) until specified dates in the following calendar year. Contact your local FSA office for more information.

#### Planting Fruits and Vegetables or Wild Rice:

Planting fruits, vegetables, or wild rice on base acres may adversely affect your program benefits. Please contact this office before you plant or lease land for production of fruits, including nut trees, vegetables or wild rice, to discuss acreage reporting requirements, prevention of possible violation of program provisions, payment reductions, and severe penalties.

#### **Debarment:**

Individuals convicted of a felony involving fraud in USDA programs must be permanently debarred from participation in any USDA programs with the exception of domestic food assistance programs. Debarment may be reduced to a period of not less than 10 years. In addition, these individuals can be debarred for 3 years from participation in any federal programs with limited exceptions.

#### **Controlled Substance**

Any person who is convicted under federal or state law of a controlled substance violation could be ineligible for USDA payments or benefits. Violations include planting, harvesting or growing a prohibited plant. Prohibited plants include marijuana, opium, poppies and other drug producing plants.

#### **Annual Notice of Payment Eligibility to Producers:**

USDA payments and benefits are subject to producer eligibility and limitation provisions as defined by law. FSA program benefits may not be provided to any producer until the applicable payment eligibility determinations are made. A producer will remain ineligible until all required forms for the specific situation are provided. Payment Limitation/Eligibility determinations may be initiated by the FSA County Committee or requested by the producer. Once completed, documents and forms to determine eligibility are reviewed for the year submitted. A farm operating plan (payment eligibility and payment limitation form CCC-902) is not required to be filed annually if the farming operation continues to be conducted as reflected on the farm operating plan (CCC-902), and supporting documents are on file in the County Office. However, if any changes occur that could affect an "actively engaged in farming," "cash-rent tenant" or "average adjusted gross income" determination, producers must timely notify the County Office by filing revised farm operating plans and/or supporting documentation. Failure to do so may adversely affect the producer's payment eligibility. All payment eligibility forms (CCC-902) submitted by a producer are subject to spot check through the End-of-Year Review process. Farming operations selected for an End-of-Year Review will be required to submit documents to verify their contributions of capital, land, equipment, labor, and management. Please contact the County Office for questions concerning documents to be submitted. Individuals, joint operations, or entities which are determined to be "not actively engaged in farming" will be ineligible for Direct and Counter Cyclical (DCP) Payments. The limitation for the following programs is per "person" per fiscal year. Under the Direct and Counter Cyclical Program (DCP) and Average Crop Revenue Election Program (ACRE), direct payments are limited to \$40,000; and counter cyclical payments and ACRE payments are limited to \$65,000; Conservation Reserve Program (CRP) payments are limited to \$50,000; Non-Insured Assistance Program (NAP) payments are limited to \$100,000. SURE will pay up to \$100,000 annually including any benefits received from LIP, LFP and ELAP.

#### **Farm Loans for Minority Groups:**

FSA can make direct and guarantee loans to groups considered as minorities under USDA definition. These groups include women, African Americans, American Indians, Alaskan Natives, Hispanics, and Asian Americans and Pacific Islanders. Funds can be used to buy and operate family-sized farms and ranches. Individuals and entities primarily and directly engaged in farming and ranching on family-sized operations may apply. A family-sized farm is considered to be one that a family can operate and manage itself. Applicants must meet all requirements for FSA's regular farm loan program assistance. Contact the FSA office for exact criteria. Repayment terms for direct operating loans depend on the collateral securing the loan and usually run from 1 to 7 years. Interest rates for direct loans are set periodically according to the Government's cost of borrowing. Repayment terms for direct farm ownership loans are up to 40 years. Interest rates for guaranteed loans are established by the lender. Applications for direct loans are made through the local FSA office. Applications for guaranteed loans are made with the lender.

#### **Change in Direct Deposit Account:**

The Debt Collection Act of 1996 mandates that payments from FSA be directly deposited into a producer's checking or savings bank account. It is important that any change in the producer's account such as type of account, bank mergers, routing number or account numbers be provided to the county office promptly to avoid possible payment delay.

VALLEY COUNTY FSA OFFICE 54062 HWY 2 W, SUITE 1 GLASGOW, MT 59230-2846



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### THIS LETTER CONTAINS IMPORTANT INFORMATION AND SHOULD BE READ THOROUGHLY!

#### **2011 COC Election Nominations** Contact Person: Darlene Otten

Nominations are being accepted for Valley County Committee (COC) positions in the LAA-B area. LAA-B is the Glasgow-Hinsdale and Larb Creek area. Nomination forms are being sent to eligible producers. The election of agricultural producers to FSA county committee starts with the nomination of eligible candidates. To become a nominee, eligible individuals must sign nomination form FSA-669A. The form includes a statement that the nominee agrees to serve if elected. This form is available on the FSA website at: <a href="https://www.fsa.usda.gov/mt">www.fsa.usda.gov/mt</a>. <a href="https://www.fsa.usda.gov/mt">Nomination forms for the 2011 election must be postmarked or received in the local USDA Service Center by close of business on Aug. 1, 2011.</a>. Agricultural producers who participate or cooperate in an FSA program may be nominated for candidacy for the county committee. Individuals may nominate themselves or others as a candidate. Additionally, Organizations representing minority and women farmers or ranchers may nominate candidates.

## Farm Divisions/Combinations Must Be Requested By August 1 Contact Person: Roberta Hopstad

If you have sold, purchased or leased a farm or part of a farm, please notify this office immediately. If you need to request a farm division or a farm combination for 2011, the deadline to submit the request is Aug. 1, 2011 for those farms participating in DCP/ACRE. If requests are not filed timely, it may be difficult to complete 2011 contracts with all required signatures for the farm. Requests received after Aug. 1, 2011, will be processed for 2012.

# Montana FSA Newsletter Notice \*\*\* Non-active agriculture producers must "opt-in" to receive future newsletters

Effective March 1, 2011, the Montana Farm Service Agency has issued a new newsletter policy geared toward improving FSA newsletter delivery and efficiency to the individual farmers, ranchers and agriculture community. FSA newsletters will continue to be sent to <u>active</u> <u>agriculture producers</u> as determined by the county FSA offices. No action is needed for active producers <u>unless</u> your household or business is receiving duplicate newsletters in which case you should inform your local county FSA office. <u>If you are not an "active" producer but are a landowner or are interested in receiving or continuing to receive a FSA newsletter, you must inform your local county office that you'd like to "Opt-in" and be added to the newsletter mailing list. In addition, you can choose to receive your newsletter electronically. Each newsletter not mailed saves the agency and taxpayer \$0.39. To request the electronic newsletter be emailed to you, please contact your county FSA office.</u>

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